



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Phoenix Area Indian Health Service  
Two Renaissance Square  
40 North Central Avenue  
Phoenix, Arizona 85004

AUG 22 2017

Mr. Herman Honanie  
Chairman, Hopi Tribe  
P.O. Box 123  
Kykotsmovi, AZ 86039

Dear Chairman Honanie:

Indian Health Service (IHS) Project PH 15-U76 was approved to replace the existing 200,000 gallon "Polacca West Tank" with a 250,000 gallon water storage tank including piping and appurtenances for First Mesa Consolidated Villages. Project funding was provided by the Environmental Protection Agency (EPA) through Safe Drinking Water Act Tribal Set Aside (SDWA-TSA) funds.

Since the project and Amendment No. 1 was approved, the project scope has been revised to increase the scope and to match more recent actual costs on similar facilities per the attached cost estimate. A significant amount of the additional costs associated with the PH 15-U76 scope can be attributed to cost overruns with EPA SDWA-TSA funded Project PH 08-D71 per Amendment No. 1. The intent was for EPA to contribute additional funds to restore removed line items in PH 15-U76 per Amendment No. 1, which is what this Amendment No. 2 provides (see enclosure).

Therefore, this letter will serve as Amendment No. 2 to the MOA for Project PH 15-U76 to revise the project scope according to Amendment No. 2 to the Project Summary. Additional funds in the amount of \$299,000 will be provided by EPA SDWA-TSA funds. The total cost of the project will increase from \$700,000.00 to \$999,000.

All other provisions of the original MOA remain as approved. If you have any questions, please contact James Carter, District Engineer, Eastern Arizona District Office, at (928) 537-0578 or at [James.Carter2@ihs.gov](mailto:James.Carter2@ihs.gov).

Sincerely,

Charles Ty Reidhead, M.D., M.P.H.  
Rear Admiral, U.S. Public Health Service  
Director  
Phoenix Area Indian Health Service

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Enclosure

cc: James Carter, District Engineer, Eastern Arizona District Office, OEHE  
Eric Matson, Director (Acting), Division of Sanitation Facilities Construction, OEHE

Concurrence to Amendment No. 2 to the MOA for Project PH 15-U76 to revise the project scope according to Amendment No. 2 to the Project Summary.

Concurrence

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Mr. Herman Honanie, Chairman Hopi Tribe

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Date



DEPARTMENT OF HEALTH & HUMAN SERVICES  
COMMITTED TO CARING

PUBLIC HEALTH SERVICE  
Indian Health Service

## Memorandum

Date: August 13<sup>th</sup>, 2017  
From: James Carter, District Engineer, EADO  
Subject: Amendment No. 2 to the Project Summary, Project PH 15-U76  
To: Eric Matson, Director DSFC, Phoenix Area Indian Health Service 

This memorandum shall serve as Amendment No. 2 to the Project Summary for Project PH 15-U76, Hopi Indian Reservation.

In August of 2015, the Hopi Tribe, First Mesa Consolidated Villages (FMCV), and Indian Health Service (IHS) entered a Memorandum of Agreement to perform the work defined in the Project Summary for Project PH 15-U76, Hopi Arsenic Mitigation Project (HAMP) and Polacca West Tank Replacement. Funding for the project was provided by the Environmental Protection Agency (EPA) through Safe Drinking Water Act Tribal Set Aside (SDWA-TSA) funds. The original project scope proposed to replace the existing deficient 200,000 gallon Polacca West Tank with a 250,000 gallon water storage tank including piping and appurtenances for the FMCV.

A significant amount of the additional costs associated with the PH 15-U76 scope can be attributed to cost overruns associated with EPA SDWA-TSA funded Project PH 08-D71 per Amendment No. 1. The intent was for EPA to contribute additional funds to restore removed line items in PH 15-U76 per Amendment No. 1, which is what this Amendment No. 2 provides. Some of the line items have been combined so as to combine functionality of several proposed underground facilities and a water sampling building into one above ground building per the attached cost estimate. Additionally, some other line items have increased in cost to match more recent actual costs on similar facilities per the attached cost estimate.

This Amendment No. 2 to Project PH 15-U76 revises the original scope of work to match Amendment No. 1 and updated projected costs. An additional \$299,000 is being provided by EPA SDWA-TSA to complete the project. Of the total amended cost of \$299,000.00, \$292,642.73 is the Maximum Contribution to the Tribe, \$-7,021.97 is for IHS Project Technical Support, and \$13,379.24 is for IHS Engineering Program Support. The additional funds brings the Project PH 15-U76 total to \$999,000 per the attached revised cost estimate.

Phoenix Area SDS Cost Estimate Template (Revised 5/2016)  
 Project Name: PH 15-U76 Hopi Arsenic Mitigation Project (HAMP) and Polacca West Tank Replacement Amendment #2  
 Date: 6/21/2017

**Schedule A: Project Planning & Design (PDP Based)**

Item	Description	Quantity	Units	Units Cost	Total
4	Geotechnical Investigation	1	LS	\$ 8,500.00	\$ 8,500.00
				<b>Planning &amp; Design Total:</b>	<b>\$ 8,500.00</b>

**Schedule B: Construction**

Item	Description	Quantity	Units	Units Cost	Total	
1	8" Water Main, 235 PSI rated	2460	LF	\$ 40.00	\$ 98,400.00	Increased \$5,912.50
3	West Tank Yard Piping	1	LS	\$ 45,000.00	\$ 45,000.00	Increased \$15,000
7	250,000 Gallon Bolted Glass-Fused-To-Steel Water Storage Tank	250000	GAL	\$ 1.25	\$ 312,500.00	
8	Cathodic Protection	1	LS	\$ 10,000.00	\$ 10,000.00	
9	Power Line Extension	1	LS	\$ 18,000.00	\$ 18,000.00	
10	Chain Link Fence	1	LS	\$ 25,000.00	\$ 25,000.00	Increased \$14,000
11	Demolish Existing 200,000 Gallon Water Storage Tank and Abandon Site	1	LS	\$ 31,000.00	\$ 31,000.00	
12	Replace Existing 8,000 Gallon Water Storage Tank	1	LS	\$ 64,000.00	\$ 64,000.00	Completed
13	Temporary water for duration of project (Mesa Top Scope)	1	LS	\$ 16,000.00	\$ 16,000.00	Completed
14	Additional 4" insulated HDPE pipe on mesa side	505	FT	\$ 127.24	\$ 64,258.08	Completed
15	Air Relief Valve	1	LS	\$ 2,500.00	\$ 2,500.00	Completed
16	Precast Concrete Water Utility Building with Air Valve, Water Sampling Ports, Meters, and Site Grading	1	LS	\$ 85,000.00	\$ 85,000.00	Combined 2, 5, & 6 & Increased \$23,000
				<b>Construction Total:</b>	<b>\$ 771,658.08</b>	

Planning & Design Total (Schedule A)	\$ 8,500.00	
Construction Total (Schedule B)	\$ 771,658.08	
Post Construction Total (Schedule C)	\$	
Contingency (Schedules A, B, & C)	\$ 78,015.81	10.00% increased from 5%
<b>Subtotal</b>	<b>\$ 858,173.89</b>	
TERO/Tribal Tax	3%	\$ 25,745.22
Tribal Procurement 1=YES, 0=NO	1	
Tribal Administrative Support Fee		\$ 19,413.48
<b>Subtotal Tribal Fees</b>		<b>\$ 45,158.69</b>
IHS Project Technical Support (PTS) Fee per Project Summary		\$ 59,376.00
IHS PTS Fee on Amendment #2		\$ (7,021.97)
IHS Engineering Program Support (EPS) Fee per Project Summary		\$ 29,688.00
IHS EPS on Amendment #2		\$ 13,379.24
<b>Subtotal IHS Fees</b>		<b>\$ 95,421.27</b>
<b>Total Project Cost</b>		<b>\$ 998,753.85</b>
<b>Rounded Maximum Contribution to Tribe</b>		<b>\$ 903,578.73</b>
PTS		\$ 52,354.03
EPS		\$ 43,067.24
<b>Use Total Cost of</b>		<b>\$ 999,000.00</b>

	PS Original	Amendment #1	Amendment #2	Total
<b>COST SUMMARY</b>				
Maximum Contribution to the Tribe	\$610,936.00	\$0.00	\$292,642.73	\$903,578.73
Project Technical Support	\$59,376.00	\$0.00	\$7,021.97	\$62,354.03
Engineering Program Support	\$29,688.00	\$0.00	\$13,379.24	\$43,067.24
Total	\$700,000.00	\$0.00	\$299,000.00	\$999,000.00
<b>FUNDING SUMMARY</b>				
EPA SDWA TSA	\$700,000.00	\$0.00	\$299,000.00	\$999,000.00